



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2009 Biennium

<b>Bill #</b>	HB0138	<b>Title:</b>	Groundwater appropriations in closed basins
<b>Primary Sponsor:</b>	McNutt, W.	<b>Status:</b>	As Introduced-Corrected

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns              |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts           | <input type="checkbox"/> Dedicated Revenue Form Attached |

### FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<b>Expenditures:</b>				
General Fund	\$146,367	\$137,764	\$141,208	\$144,738
State Special Revenue	\$21,871	\$20,585	\$21,100	\$21,628
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$60,000	\$60,000	\$60,000	\$60,000
<b>Net Impact-General Fund Balance</b>	<b>(\$146,367)</b>	<b>(\$137,764)</b>	<b>(\$141,208)</b>	<b>(\$144,738)</b>

**Description of Fiscal Impact:** The legislation provides a mechanism in closed basins to allow the use of groundwater if a hydrologic report and augmentation plan to mitigate impacts are provided. Reduced exemptions will increase groundwater applications and change of use applications for augmentation mitigation requiring more resources for evaluation.

### FISCAL ANALYSIS

#### Assumptions:

#### **Department of Natural Resources and Conservation (DNRC)**

1. The department estimates 3.00 FTE, two band 5 water resource specialists and one band 6 hydrologist, can handle the increased number of applications, evaluate the impact of increased new ground water developments on surface water supplies, and assess mitigation activities generated by this legislation.
2. Operating expenses of \$31,656 in FY 2008 including network hookups, computers, office equipment, software, supplies, phone, postage, travel, and rent and \$21,228 in FY 2009 for all of the prior listed expenses, excluding computers, software, and office equipment.

3. A 2.5% inflation factor has been applied to FY 2010 and FY 2011.
4. It is assumed that water right filing fees will fund 13% and general fund 87% – the same funding split as the Water Resource Division's Regional Offices.
5. Assume this legislation will increase the number of applications received by 150 at \$400 per application, generating additional state special revenue.

	<b><u>FY 2008</u></b> <b><u>Difference</u></b>	<b><u>FY 2009</u></b> <b><u>Difference</u></b>	<b><u>FY 2010</u></b> <b><u>Difference</u></b>	<b><u>FY 2011</u></b> <b><u>Difference</u></b>
<b><u>Fiscal Impact:</u></b>				
<b>FTE</b>	3.00	3.00	3.00	3.00
<b><u>Expenditures:</u></b>				
Personal Services	\$136,582	\$137,121	\$140,549	\$144,063
Operating Expenses	<u>\$31,656</u>	<u>\$21,228</u>	<u>\$21,759</u>	<u>\$22,303</u>
<b>TOTAL Expenditures</b>	<u><u>\$168,238</u></u>	<u><u>\$158,349</u></u>	<u><u>\$162,308</u></u>	<u><u>\$166,366</u></u>
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	\$146,367	\$137,764	\$141,208	\$144,738
State Special Revenue (02)	<u>\$21,871</u>	<u>\$20,585</u>	<u>\$21,100</u>	<u>\$21,628</u>
<b>TOTAL Funding of Exp.</b>	<u><u>\$168,238</u></u>	<u><u>\$158,349</u></u>	<u><u>\$162,308</u></u>	<u><u>\$166,366</u></u>
<b><u>Revenues:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	<u>\$60,000</u>	<u>\$60,000</u>	<u>\$60,000</u>	<u>\$60,000</u>
<b>TOTAL Revenues</b>	<u><u>\$60,000</u></u>	<u><u>\$60,000</u></u>	<u><u>\$60,000</u></u>	<u><u>\$60,000</u></u>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	(\$146,367)	(\$137,764)	(\$141,208)	(\$144,738)
State Special Revenue (02)	\$38,129	\$39,415	\$38,900	\$38,372

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*Sponsor's Initials*\_\_\_\_\_  
*Date*\_\_\_\_\_  
*Budget Director's Initials*\_\_\_\_\_  
*Date*